

Chief, Economic Research, OER

3 April 1959

Chief, Industrial Division, ORR

Monthly Report, March 1959

I. Relations with and Support to Other Components:

A. CIA:

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2. Members of D/I branches met with representatives of the Eastern European Satellites Branch of FDD for an informal discussion of D/I translation requirements in light of current and future research. This briefing was followed by individual D/I branch visits to FDD.

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3. I/EE briefed [REDACTED] 25X1A9a OSI, on the status of Soviet computer production, in connection with his assignment as the Agency intelligence representative to the Comparative Evaluations Group studying Soviet computer technology. This was an initial briefing to provide [REDACTED] with basic information on Soviet computer plants and general levels of output. [REDACTED] indicated that at a later date he will probably request some written support for a more detailed statement he will prepare. 25X1A9a

4. Arrangements were completed for a briefing of the AI/RR and several of his staff by the ELINT Staff of OSI. This briefing is intended to provide OER with a better understanding of the type of source material available from ELINT, and indications of areas where ELINT might be useful against [REDACTED] 25X1D0a

5. The Office of Training is currently presenting a training course for DD/P case officers on the subject of "Scientific and Technical Collection". Much of this course is concerned with the guided missiles field which OER like most other Agency components associated principally with OSI. Discussions between I/GM and OER personnel during March have resulted in an improved understanding by OER of the role of OER in assessing the production and deployment aspects of the Soviet missile program. As a result, OER has requested I/GM assistance in this project. I/GM will participate by lecturing and providing materials and suggestions for the course.

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6. A special memorandum was prepared for the DCI outlining the meaning and significance of "mobility" as it pertains to guided missile systems.

7. Members of I/GM participated in a training course for OO Contact Specialists on the collection of guided missiles intelligence information and presented briefings on industrial observations and Soviet missile production and deployment indicators.

8. On separate occasions Chief, I/GM, briefed WL, EE and SR Division (DD/F) personnel on various aspects of his recent visit in Europe.

9. I/GM is continuing to investigate methods of machine handling of data which might prove useful in support of several research projects now underway. Discussions have been held with OCR on certain of these. [REDACTED] and 25X1A9a

25X1A9a Mr. [REDACTED] met with representatives of OSI and NSA to discuss a proposed pilot study which would involve machining certain data possibly common to both the guided missiles and AE fields. OSI is preparing a staff study of this program and will coordinate it with OPR. [REDACTED] and OSI personnel also met with representatives of the [REDACTED] on the subject of machine processing of intelligence data. 25X1A9a 25X1A5a1

B. USIB Committees:

10. I/EE participated in preparation for three US/USSR exchanges during March. The team which departed for the USSR on the Electronics Production Techniques Exchange was briefed for one full day in Washington. Intra-agency coordination is taking place on two additional exchanges; one on electronic computer production and one on radio amateurs. The computer exchange planning is almost complete. The Soviet teams will begin their trip on 20 April, 1959. The return US visit will begin about mid-May 1959. Two important Soviet computer plants are scheduled to be visited by the US team. Neither of these two plants has been previously visited by US personnel.

C. Other:

11. All branches of the Division participated in their branches' FY 1960 program review with Chief and Deputy Chief, ERA.

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12. Visitors from foreign liaison services included 25X1X7
25X1X7 [redacted] who discussed with several
branches of D/I aspects of Soviet aircraft production, guided
missiles program, military manpower, and expenditures. Also,
25X1X7 [redacted] discussed Communist Chinese production
of motor vehicles with a member of I/FE.
13. Deputy Chief, I/CM briefed the Chief 25X1X7
25X1X7 [redacted] on current estimates of Soviet missile
capabilities and production and deployment programs. Considerable
emphasis in the briefing was placed on collection approaches which
may provide significant information on the Soviet missile program.
25X1X7 [redacted] indicated he probably could contribute in this field
if the guidance could be provided.
14. Chief, D/I, briefed the NSC Planning Board on results
and methods of OMR military economic studies on the USSR.
15. Chief, D/I, briefed NSC Staff on the process and
results of economic intelligence research on Soviet industry.
16. Chief, D/I, briefed 25X1X7 [redacted] representatives on the
results and methods of OMR military economic studies on the USSR.
17. Support to the Commerce Department was rendered by members
of I/FE who provided information on Bloc metalworking equipment to the
COCOM metalworking task group at the Department and who discussed with
Commerce representatives the fact sheets on bearings and Bloc bearing
production.
18. I/FE prepared a bibliography on Soviet diesel engine
25X1A5a1 [redacted] production for Mr. William Furpin, Department of State, for use by
19. The Proposed External Research Contract concerning the
Soviet B-200 SAM guidance and control system was reviewed by the NIC
Subcommittee on Electronics and Telecommunications. All members
except Army voted favorably. The Army member of the Subcommittee
voted negatively, indicating that ACBI saw only slight value in
continuing to use US past information for analysis of Soviet production.
The chairman indicated that a primary goal of the contract was to have
the current knowledge of the Soviet system translated into detailed
production input terms which could then be coded in Soviet terms.

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As such, this contract was an attempt to reduce the use of direct US cost analog data. The results of the subcommittee review will be communicated to the EIC.

20. Chief, I/EE participated in a COCOM list review at Wright-Patterson Air Force Base. Representatives were present from State, Commerce, Defense, and CIA. The review included all the electronic items presently on International List 1, and a few recent technical developments were discussed to determine areas where this list should be expanded.

25X1A5a1 21. Members of I/MI met with [REDACTED] 25X1A5a1 to determine [REDACTED] availability and interest in carrying out a personal service contract in support of D/I's research responsibilities on Communist China.

22. I/ME briefed representatives of several components of NSA and a member of AFCEC-Y on some aspects of military expenditure estimates and problems.

23. Members of I/PI provided information to USIB counterparts as follows: information to Department of the Army, G-2, on locomotive production and markings of diesel locomotives in the USSR; information to the Department of State regarding Western aid for a Soviet chemical plant; and information to AFCEC-3 on missile and tractor production at Dnepropetrovsk.

24. D/I travelers during March included Deputy Chief, D/I, members of I/GM, I/EE, I/AR and I/PI who visited the Army Ordnance Missile Command, Huntsville, Alabama; [REDACTED] 25X1A

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II. Changes in Estimates:

25. No significant changes in estimates are reported.

III. Future Plans:

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IV. Problems:

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25X9A8 [REDACTED] visited NSA to discuss a long standing requirement
with [REDACTED] In light of the delays and
lack of cooperation involved in satisfying this requirement, it is
concluded that unusually strong action by CIA at the highest levels
will be necessary to obtain NSA's cooperation.

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[REDACTED]